

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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**MATRY JOHNSON**  
Claimant

**APPEAL NO. 19A-UI-05978-B2T**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**IOWA WORKFORCE DEVELOPMENT  
DEPARTMENT**

**OC: 12/23/18**  
**Claimant: Appellant (2)**

Section 96.3-7 – Recovery of Overpayment of Benefits

**STATEMENT OF THE CASE:**

Claimant appealed a representative's decision dated July 24, 2019, reference 06, that concluded claimant was overpaid unemployment insurance as a result of a disqualification decision. A hearing was scheduled and held on August 20, 2019 pursuant to due notice. Claimant did participate.

**ISSUE:**

Whether claimant is overpaid unemployment insurance benefits.

**FINDINGS OF FACT:**

The administrative law judge, having considered all of the evidence in the record, finds that: The overpayment issue in this case was created by a ruling claimant was improperly paid unemployment benefits. Claimant was deemed to have been overpaid \$1,401.00 for the three weeks ending July 13, 2019.

**REASONING AND CONCLUSIONS OF LAW:**

Iowa Code § 96.3(7)a-b, as amended in 2008, provides:

7. Recovery of overpayment of benefits.

a. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

b. (1) (a) If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the

account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5. The employer shall not be relieved of charges if benefits are paid because the employer or an agent of the employer failed to respond timely or adequately to the department's request for information relating to the payment of benefits. This prohibition against relief of charges shall apply to both contributory and reimbursable employers.

(b) However, provided the benefits were not received as the result of fraud or willful misrepresentation by the individual, benefits shall not be recovered from an individual if the employer did not participate in the initial determination to award benefits pursuant to section 96.6, subsection 2, and an overpayment occurred because of a subsequent reversal on appeal regarding the issue of the individual's separation from employment.

(2) An accounting firm, agent, unemployment insurance accounting firm, or other entity that represents an employer in unemployment claim matters and demonstrates a continuous pattern of failing to participate in the initial determinations to award benefits, as determined and defined by rule by the department, shall be denied permission by the department to represent any employers in unemployment insurance matters. This subparagraph does not apply to attorneys or counselors admitted to practice in the courts of this state pursuant to section 602.10101.

The administrative law judge concludes that claimant was not overpaid unemployment insurance benefits in the amount of \$1,401.00 for the three weeks ending July 13, 2019, pursuant to Iowa Code section 96.3-7 as the disqualification decision that created the overpayment decision has now been reversed.

**DECISION:**

The decision of the representative dated July 24, 2019, reference 06, is reversed. Claimant was not overpaid unemployment insurance benefits in the amount of \$1,401.00.

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Blair A. Bennett  
Administrative Law Judge

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Decision Dated and Mailed

bab/scn